

**GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA**

STARRED QUESTION NO:157

ANSWERED ON:26.11.2007

DECLINE IN PROCUREMENT OF WHEAT AND RICE

Sujatha Smt. C.S.;Yadav Shri Kailash Nath Singh

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

e:

- (a) whether the procurement of rice and wheat by Food Corporation of India (FCI) has declined considerably this year;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether the Multinational Companies are also procuring rice and wheat in the country;
- (d) if so, whether there is any restriction on the quantity to be procured by such companies;
- (e) if so, the details thereof and if not, whether the Government proposes to take such steps in the future; and
- (f) if so, the details thereof and the time by which it is likely to be implemented?

Answer

MINISTER OF AGRICULTURE AND MINISTER OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (SHRI SHARAD PAWAR)

(a), (b), (c), (d), (e) & (f): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (f) OF THE STARRED QUESTION NO. 157 DUE FOR ANSWER ON 26.11.2007 IN THE LOK SABHA.

(a) & (b): There was a slight decline in the procurement of rice by the Government Agencies [State Agencies and Food Corporation of India (FCI)] for the Central Pool in Kharif Marketing Season (KMS) 2006-07 (250.75 lakh tonnes as against 276.56 lakh tonnes in KMS 2005-06). However the procurement of wheat has increased from 92.25 lakh tonnes in Rabi Marketing Season (RMS) 2006-07 to 111.28 lakh tonnes in RMS 2007-08. Procurement of rice in KMS 2006-07 was less than KMS 2005-06 mainly on account of crop diversification and unfavourable weather conditions in some parts of Punjab, Haryana and U.P. resulting in less paddy arrivals in mandis.

(c), (d), (e) & (f): As per the present policy, farmers are free to sell their produce to the Government agencies at MSP, or to the private parties, including Multinational Companies as is advantageous to them. This ensures remunerative prices to the farmers. No restriction on quantity of procurement by Multinational Companies has been imposed by the Government of India. However, a notification titled 'Wheat (Stock Declaration by Companies or Firms or Individuals) Order 2007 has been issued under the Essential Commodities Act 1955 on 1.3.2007. The order provides that any Company or Firm or individual which purchases wheat beyond 50,000 tonnes during 2007-08, shall furnish to the Central Government, a return indicating the name/address of the company, quantity of wheat purchased and quantity of wheat held in stock.